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PPB 70-0594

24 March 1970

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT: Construction Authority

1. This memorandum is for information.
2. You have asked what our authority is for constructing garage facilities in the headquarters area. The Central Intelligence Agency Act of 1949, as amended, provides in section 8 that, "Notwithstanding any other provisions of law, sums made available to the Agency by appropriation or otherwise may be expended for purposes necessary to carry out its functions, including-- . . . construction of buildings and facilities without regard to 36 Stat. 699; 40 U.S.C. 259, 267;" This authority has not been repealed, although the Federal Buildings Act of 1959 would cause difficulty if we were considering an office building, as that act provides that no public buildings shall be constructed except by the Administrator of General Services.
3. Special purpose buildings are exempted from the definition of public buildings, however, and we consider a garage to be such a special purpose building. We have consulted Harry R. Van Cleve, Regional Counsel to Region 3, General Services Administration, who agrees. Therefore, we do have authority for the rental or construction of a garage.
4. The problem arises out of the location of such a garage at the headquarters installation. Section 401 of The Military Construction Act of 1955 authorized the Director of

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Central Intelligence to provide for a headquarters installation at a cost not to exceed \$54,500,000, of which \$8,500,000 was for transfer to the Department of Interior for the construction of the extension of the George Washington Memorial Parkway to our present location. Therefore, there was a limitation of \$46,000,000 for the actual headquarters installation. It is my understanding that the funds appropriated pursuant to this authorization have been exhausted and we have reached the limit of the authorities in the 1955 act.

5. If the garage in question were considered an integral part of the original headquarters installation, we might be required to obtain a new authorization and appropriation. I believe there is a good argument, however, for claiming that the garage was never considered in the original plans and is now coming up as a problem only because our existing garage is being eliminated by circumstances beyond our control.

6. Financial considerations make it logical to build a Government-owned garage on Government property, and locating it near headquarters would, of course, increase efficiency. Therefore, unless the Chairmen of our Subcommittees or perhaps the Bureau of the Budget were to insist on authorization legislation, I believe we have the technical authority in section 8 of our act to do the necessary construction. STATINTL

LAWRENCE R. HOUSTON
General Counsel

cc: Deputy Director for Support
Director of Logistics
D/PPB

OGC chrono

✓ subject BUILDINGS, GROUNDS & PROPERTY

OGC:LRH:jeb

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Remarks:			
<p>Red, we have discussed this problem with Harry Van Cleve, formerly General Counsel, GSA, and now Regional Counsel to Region 3, GSA. He not only thought we were in the clear but said they would cooperate in any manner we wished in connection with any such construction, i.e., they would do it for us or work with us in our doing it, as we wished.</p> <p style="text-align: right;">Lawrence R. Houston</p>			
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